



NORTH CAROLINA Department of Transportation



Project Delivery / Just Compensation

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Overview

- Session Law 2017-57, Section 34.5(a)
- Historical and Future Acquisition Data
- Determining Just Compensation
 - Appraisals
 - Appraisal Waivers
 - Certified Appraiser Pool
- Moving Forward

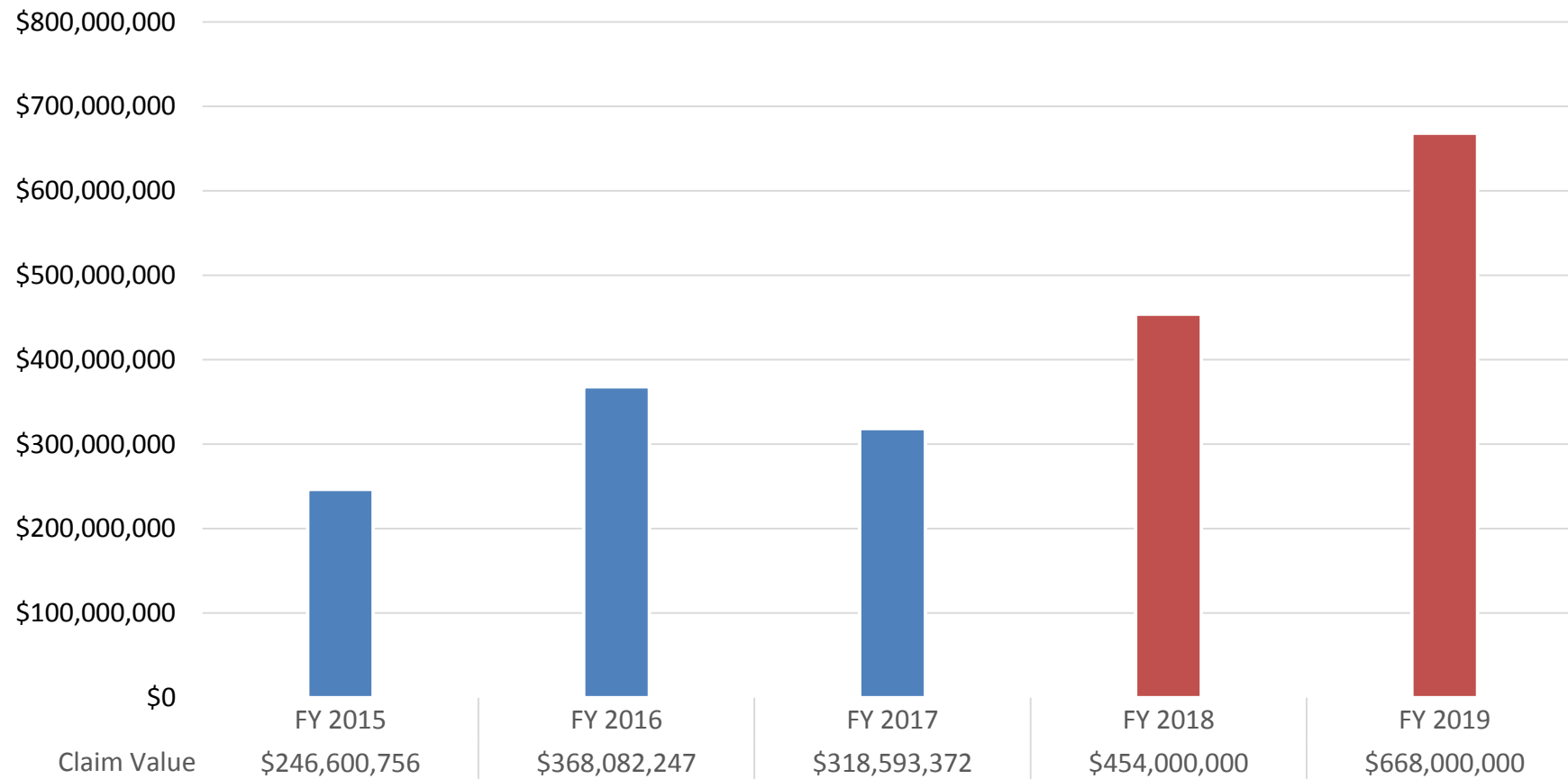
Session Law 2017-57, Section 34.5(a)

Appraisal Waiver Valuation

- Intent
 - Resources and flexibility
 - Accelerate project completion
 - Maintain fairness
- Permissive Exception to Appraisal
 - Anticipated value less than \$40k
 - Allows third party to prepare
 - Sufficient knowledge of market

Acquisition Data

Annual Claim Totals



Determining Just Compensation

Methods

- Claim Report
- Appraisal Waiver Valuation
- Right of Way Transmittal Summary
- Narrative Appraisal

Regardless of project funding type, the Department must offer just compensation to every property owner affected by a transportation project in accordance with the 5th Amendment of the U.S. Constitution.

Determining Just Compensation

Claim Report or Appraisal Waiver Valuation Use

- Minor claims only
- Mutually agreed upon just amount
- Can not be used as evidence in court

Claim Value	State Funded	Federal Funded
\$0 - \$25,000	YES	YES
\$25,000 - \$40,000	YES	NO

Determining Just Compensation

Proposed Appraisal Waiver Valuation Use

When to Use (<i>simple claims</i>)	When <u>NOT</u> to Use (<i>complex claims</i>)
Easements	Total Acquisitions
Curable Damages	Non-Curable Damages
Vacant Tracts	Commercial Property
Partial Acquisitions	Parcels With Remnants
	Mortgaged Property

Prepared by Department Right of Way Agent or Consultant Project Manager

Determining Just Compensation

Transmittal Summary

- Abbreviated appraisal report for simple claims
- Federal or state funded
- No value limit
- Can be used for condemnation
- Can quantify the cost to cure of small items
- Can **not** quantify non-curable damages (*proximity, control of access, assemblage, loss of parking, ...*)
- Must be completed by a certified appraiser
- Requires Department approval

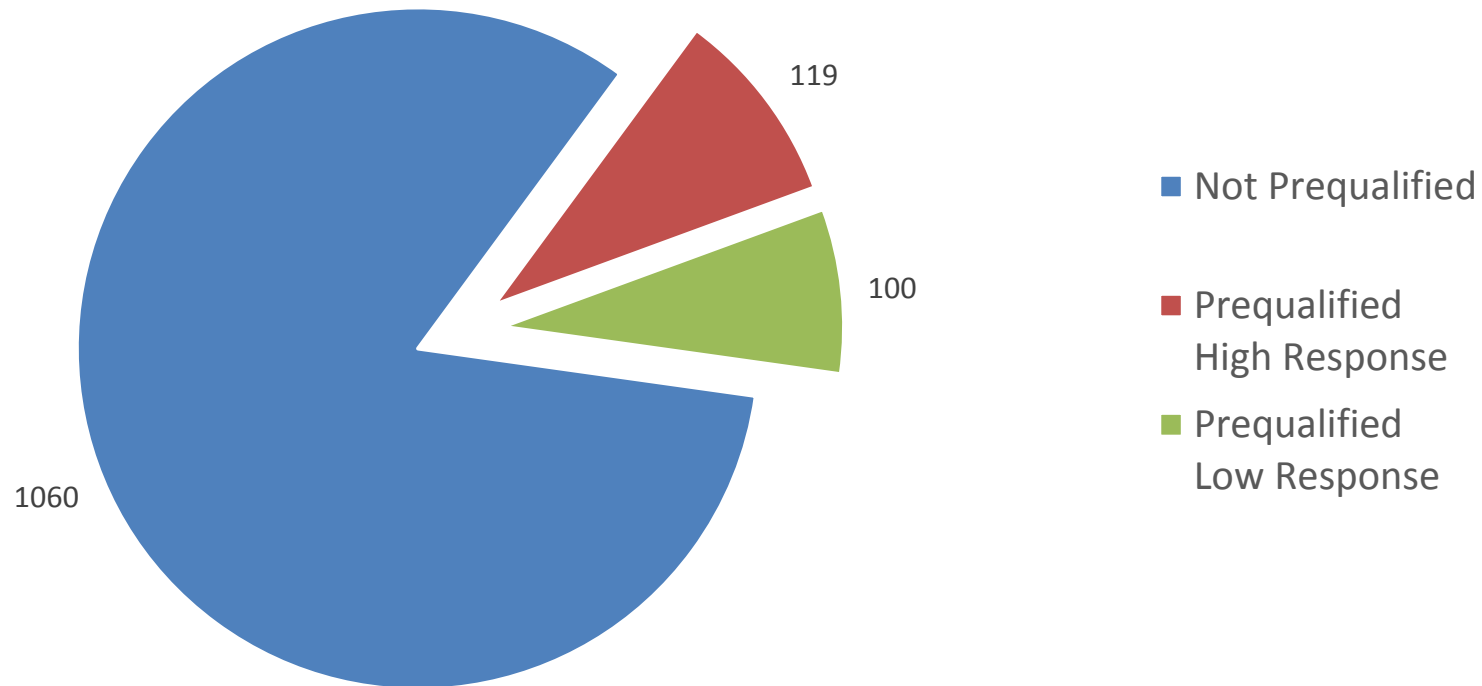
Determining Just Compensation

Narrative Appraisal Report

- For more complex properties
- Federal or state funded
- No value limit
- Can be used for condemnation
- Can quantify non-curable damages (*proximity control of access, assemblage, loss of parking, ...*)
- Must be completed by a certified appraiser
- Requires Department approval

Determining Just Compensation

NC Certified Appraisers



Limited pool of appraisers interested in DOT work

Moving Forward

- Implement Appraisal Waiver Valuation protocol
- Use simplest / least costly approach first
 - Claim Reports or Appraisal Waiver Valuations
 - Right of Way Transmittal Summary reports
 - Then Appraisal Reports
- Recruit more contract and staff appraisers
- Maintain goal of offering fair settlement to property owners
- Deliver projects on time